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Attorneys for UBS AG, London Branch

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

**HVI Cat Canyon, Inc.,
Debtor.**

Chapter 11

**Case No. 19-12417 (MEW)
Re: ECF No. 26**

**LIMITED OBJECTION OF UBS AG, LONDON BRANCH TO APPLICATION TO
EMPLOY WELTMAN & MOSKOWITZ, LLP AS COUNSEL TO
DEBTOR AND DEBTOR-IN-POSSESSION NUNC PRO TUNC TO PETITION DATE**

UBS AG, London Branch (“UBS”) objects to the application of HVI Cat Canyon, Inc. (the “Debtor”) to employ Weltman & Moskowitz LLP as bankruptcy counsel. *See Application to Employ Weltman & Moskowitz, LLP as Counsel to Debtor and Debtor-In-Possession Nunc Pro Tunc to Petition Date* [Docket No. 26] (the “Application”).¹

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

UBS does not generally object to the Application or the Debtor's retention of Weltman & Moskowitz, LLP as bankruptcy counsel. However, the lack of an express limitation in the order granting the Application that provides the Debtor cannot use UBS's cash collateral to pay professional fees unless otherwise authorized by the Court invites potential disputes concerning the source of compensation for the Debtor's counsel. When UBS raised this issue with the Debtor's counsel, they acknowledged that the Debtor could not use UBS's cash collateral to pay professional fees unless authorized by the Court. But UBS understands they would not agree to add a straightforward provision to the order granting the Application to make that clear that was suggested by UBS.

There is no dispute that the Debtor cannot use UBS's cash collateral to pay professional fees and expenses unless UBS consents to the payments or they are authorized under an order entered by the Court. Making that clear in the order granting the Application will help avoid any possible confusion or inconsistency regarding the Debtor's use of cash collateral to compensate its professionals. Consequently, UBS respectfully requests that the order granting the Application include a provision that prohibits the Debtor from paying the fees and expenses of its bankruptcy counsel from UBS's cash collateral unless the Court has entered an order that specifically authorizes the Debtor's use of cash collateral for such purposes.

Dated: August 28, 2019
New York, New York

Respectfully submitted,

/s/ Evan M. Jones

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